

Decision 89 12 024 DEC 6 1989

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application )  
of Pacific Bell for Rehearing of )  
Resolutions T-13091 and T-13092 )  
re: Centrex Service Contracts )  
to New York Life Insurance Co. )  
and Dean Witter Reynolds, Inc. )  
\_\_\_\_\_ )

Application No. 89-10-009  
(Filed October 10, 1989)

ORDER DENYING REHEARING

Pacific Bell has filed an application for rehearing of Resolutions T-13091 and T-13092, alleging that the Commission modified the Settlement in D.88-09-059 without notice and hearing and, in so doing, violated Pacific's due process rights. Our finding is that the Resolutions in question neither modify nor alter the Settlement in D.88-09-059. Rather, they clarify how the comparison should be made, given these specific contracts, when calculating Centrex price floors pursuant to D.88-09-059. At a minimum, the principle of comparability must be adhered to. It is neither valid nor logical to compare components that are fundamentally different. This very basic principle applies when calculating Centrex price floor rates.

The Commission's interpretation of how these customer-specific contracts should be construed by no means sets a precedent for subsequent contracts with other customers for telecommunications services. Nor is the intent to provide an exhaustive list of what should be included or excluded under every conceivable circumstance. Rather, this Order has been precipitated by an obvious misunderstanding of what D.88-09-059 requires, given this fact setting. To the extent that an apparent misconstruction of a Commission decision violates the letter and spirit of that ruling, clarification will be required.

We have considered all the allegations of error in the application, and are of the opinion that good cause for rehearing has not been shown. We find that neither Resolution T-13091 nor T-13092 modify or alter the Settlement in D.88-09-059. Pacific has not demonstrated any violation of Public Utilities (PU) Code §1708, or of its due process rights.

Therefore,

IT IS ORDERED THAT:

1. Rehearing of Resolutions T-13091 and T-13092 is hereby denied.

This order is effective today.

Dated DEC 6 1989, at San Francisco, California.

G. MITCHELL WILK  
President  
FREDERICK R. DUDA  
STANLEY W. HULETT  
JOHN B. OHANIAN  
PATRICIA M. ECKERT  
Commissioners

I CERTIFY THAT THIS DECISION  
WAS APPROVED BY THE ABOVE  
COMMISSIONERS TODAY.

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*Wesley Franklin*  
WESLEY FRANKLIN, Acting Executive Director  
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